HON'BLE SRI JUSTICE C.V.RAMULU

W.P.No.17395 of 2004

Date: September 12, 2007

Between:
Rashtriya Ispat Nigam Limited,
A Government of India undertaking,
Rep. by the Addl. Chief Manager (Mines),
D. Pandu Ranga Rao, s/o late DVHV Subba Rao,
...
Petitioner

And

The Welfare Commissioner,
Labour Welfare Organization,
Ministry of Labour, Government of India,
Kendriya Sadan Sulthan Bazar,
Koti, Hyderabad. ... Respondents

* * *

ORDER:

This writ petition is filed seeking a writ of *Mandamus* declaring the order passed by the respondent in Proceedings No.111/41/2003-04, dated 22.4.2004, as arbitrary, illegal and contrary to the provisions of Section 2 (bb) and 3 of the Limestone and Dolomite Mine Labour Welfare Fund Act and also Chapter-4 of the Rules framed hereunder.

2. It appears the petitioner is Rashtriya Ispat Nigam Limited, a Government of India undertaking, filed this writ petition when the respondent levied labour welfare cess on the unutilized limestone fines lying on the site. According to the petitioner, in the process of crushing and screening about 20% of the limestone mineral realized is in the form of less than 6 m.m. fines. Limestone with less than 6 m.m. fines cannot be used in the steel plant, since it does not satisfy the chemical specifications required. Such fines cannot be used in any

other industrial activity including bulk consumers of limestone i.e., cement plants. Thus, about 20% of the mineral extracted is left in the yard unused and as a waste. The respondent has been levying welfare cess on this 20% of the unused and waste fines, therefore, this writ petition.

3. While admitting the writ petition interim stay on condition of petitioner depositing 50% of the demanded amount was granted. Learned counsel for the petitioner states that 50% of the amount has already been deposited.

4. There is no necessity of going into all the details. The learned counsel on either side represented that a matter like this, which is a dispute between two public sector undertakings of the Government of India, requires to be referred to high level committee on disputes as per the judgment of the Supreme Court in **Oil and Natural Gas Commission Vs. Collector of Central Excise**[1]. According to the learned counsel for the petitioner a committee is already constituted, therefore, they may be permitted to approach the committee. Learned counsel for the respondent also has no objection for such a course of action being adopted by the petitioner.

5. In view of the same, while permitting the petitioner and respondent to approach the high level committee constituted by the Government of India in this regard to resolve the dispute, the writ petition is closed. The amounts already deposited shall be subject to the result of outcome of the decision of the high level committee. No costs.

_____

(C.V.RAMULU, J)

Date: September 12, 2007.
BSB

-

[1] 1992 Suppl. (2) SCC 432